

# Memorandum

**Tab 21**

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 20, 2014

Reference No.: 4.5  
Information

From: ANDRE BOUTROS  
Executive Director

Subject: **2016 STATE TRANSPORTATION IMPROVEMENT PROGRAM (STIP) GUIDELINES  
PROCESS UPDATE**

## **ISSUE:**

The State Transportation Improvement Program (STIP) guidelines describe the policy, standards, criteria and procedures for the development, adoption and management of the STIP. They are developed in cooperation with Caltrans, regional transportation planning agencies, county transportation commissions and local agencies in accordance with Government Code 14530.1.

The STIP fund estimate must be adopted by August 15 of each odd numbered year. Amended guidelines are generally adopted at the same meeting. Under state law, not later than April 1 of every even year, the California Transportation Commission (Commission) adopts the biennial five-year STIP. The guidelines may not be amended or modified during the period between thirty days following the adoption of the fund estimate and the adoption of the STIP.

At the May 21, 2014 Commission meeting, staff outlined steps to begin the 2016 Guidelines process early, with a goal to enhance transparency and accountability in the programming process. The 2016 STIP guidelines will continue to emphasize coordination and consistency with adopted Regional Transportation Plans, the Interregional Transportation Strategic Plan, and investment strategies and decisions consistent with state and federal laws.

Three workshops will be held through the summer. The first workshop, to discuss performance measures and cost effectiveness, was held in Sacramento on June 11, 2014, and the second workshop, to discuss transparency and the public process, was held in Los Angeles on July 16, 2014. Both workshops were well attended, with approximately 83 attending the first and 55 attending the second (both in person and on the phone). Attendees at the workshops included representatives from Regional Transportation Planning Agencies, Metropolitan Planning Organizations, Federal Highway Administration, Caltrans, California Transportation Agency, Native American Tribes, Department of Public Health, legislative staff, environmental advocacy groups, walking, biking and health advocates, and others. Some of the generally agreed upon suggestions from the second workshop included:

- Development of a template for submittal of Regional Transportation Improvement Programs (RTIP) to promote consistent display of information,
- Posting of RTIPs on the CTC website to ensure availability to the public,
- A robust public process for the Interregional Transportation Strategic Plan (ITSP) that Caltrans is developing, and
- A public presentation by Caltrans, prior to the submittal of the next Interregional Transportation Improvement Program (ITIP), on the funding priorities for the ITIP outlined in the most recent adopted ITSP.

The third workshop is scheduled to be held in San Jose on August 21, 2014. This workshop will again focus on performance measures. Staff intends to present draft 2016 STIP Guidelines, incorporating the input from the three workshops, at the October 2014 Commission meeting.

### **BACKGROUND:**

The STIP is a biennial five-year plan adopted by the Commission for future allocations of certain state transportation funds for state highway improvements, intercity rail, and regional highway and transit improvements. Each new STIP adds two new years to prior programming commitments. The 2014 STIP was adopted in March 2014, and the next STIP must be adopted by April 1, 2016.

In past years the STIP was funded with a variety of funds including state and federal highway funds, state funds for transit (PTA), and federal funds for transportation enhancements and active transportation (TE). The PTA and TE funds are no longer included in the STIP. The PTA funds are now directed to other uses, including State Transit Assistance, and the federal TE program was discontinued. The new federal Transportation Alternatives Program (replaced TE) was folded into the new Active Transportation Program, which is a competitive program outside the STIP. With these changes in funding, fewer transit and active transportation projects were proposed for programming in the 2014 STIP.

Under state law, the Commission adopts the STIP by April 1 of every even year, and may allocate STIP funds only in accordance with the adopted STIP. Updated guidelines for the STIP are adopted biennially prior to the adoption of the fund estimate, which is generally adopted in August of every odd year. The 2016 STIP, which will likely be adopted in March 2016, will cover the five-year period from 2016-17 through 2020-21. This five-year period coincides with the four-year share period of 2016-17 through 2019-20 for which there will be a minimum target for programming that must be met.

Riverside County Transportation Commission

July 15, 2014

Honorable Carl Guardino  
Chair, California Transportation Commission  
1120 N Street  
Room 2221 (MS-52)  
Sacramento, CA 95814



Dear Chairman Guardino:

The Riverside County Transportation Commission (RCTC) applauds the efforts of California Transportation Commission (CTC) staff in conducting early and thorough outreach to stakeholders regarding the 2016 State Transportation Improvement Program (STIP) guidelines. The STIP represents an important partnership between the State and regional transportation planning agencies (RTPAs) such as RCTC. In Riverside County, STIP dollars have filled key funding gaps for highway, transit and active transportation projects. All of these projects are necessary to maintaining compliance with state and federal standards. These standards are achieved via the Southern California Association of Governments (SCAG) Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and the voter-approved Measure A sales tax expenditure plan, which include highway, transit, street, bike, and pedestrian improvement projects.

RCTC is supportive of the CTC's three stated focus areas for the 2016 STIP guidelines. California's taxpayers benefit when any government program is implemented with enhanced transparency, opportunities for participation, and objective data. Towards these ends, RCTC would like to illustrate the following:

- Regional Transportation Improvement Programs (RTIPs) are adopted at the county level in noticed public meetings subject to the Brown Act.
- The RTP/SCS, which contains all projects in any given RTIP, is also adopted in a noticed public meeting subject to the Brown Act, usually preceded by multiple years of public workshops and opportunities for participation. The RTP/SCS identifies all potential funding sources for projects (of which the STIP is one of many) to fulfill the multi-year plan and comply with state and federal regulations. Accordingly, performance measures are included in the RTP/SCS.
- In 20 of California's counties, representing over 80 percent of the state's population, two-thirds of voters have gone to the ballot box to approve sales taxes to fund suites of projects that, by local statute, must be built. These sales tax programs are included in an approved RTP/SCS and in many counties are supervised by citizen oversight or advisory committees.

Yet, RCTC recognizes these plans and programs may not always lend themselves to concise interpretation by the public of what benefits they provide or how certain decisions are made. We encourage the CTC to take a holistic approach to better communicating transportation investment decisions. Rather than looking at RTIPs in isolation, any transparency effort should capture the equally significant ITIP and State Highway Operation & Protection Program (SHOPP) programs to give a more complete picture to taxpayers. This holistic approach would also increase opportunities for RTPA's and the State to collaborate and communicate more effectively on the investment decisions each other are making. Ultimately, this will lead to a more integrated statewide transportation system and a better message to taxpayers.

In evaluating the cost effectiveness of RTIPs and the ITIP, it is important to note RTPAs and Caltrans employ cost-benefit models to analyze projects – often early in the project's life. Caution should be heeded that cost-benefit analyses are not used as part of a decision whether to fund a project with a particular funding source at the end of a project's development. Evaluative tools should be applied at the formation of a plan (the RTP/SCS) to ensure the plan as a whole meets desired criteria. It should also be noted not all projects serve the same purposes and types of benefits may vary greatly between transit, highways, goods movement, and other multimodal projects. Any new cost-benefit policy should be flexible enough to recognize the diversity of projects needed in the RTP/SCS.

Finally, we acknowledge the extremely difficult circumstance facing all sectors of transportation in California. Funding for projects of all modes is eroding as demands on our system are increasing. Tough choices face every agency; Caltrans and the CTC are no exception. As we labor to fulfill our RTP/SCS (and therefore AB 32, SB 375, the Clean Air Act, and other standards) on lean resources, the CTC should resist layering on new requirements and screening processes to one narrow funding source. Instead, our collective focus must be on how to increase investment in all transportation modes and gain the confidence of California's diverse electorate.

RCTC looks forward to continuing to participate in the development of the 2016 STIP guidelines and all other efforts to implement transportation policy in California. Thank you for considering our comments and for your leadership of the Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Anne Mayer", written in a cursive style.

Anne Mayer  
Executive Director